

Gender Pay Gap

2021 – 2022



OSL Group

Entrepreneurship, Empowerment, Excellence.

Our six working principles for everyone in the OSL Group are:

- 1. We operate with trust, openness, and honesty**
- 2. We show courage and drive results and accountability**
- 3. We communicate effectively with empathy**
- 4. We share our views and support team decisions**
- 5. We are happy to bring and receive challenge**
- 6. We take the time to involve the team**



Introduction

The OSL Group is a group of manufacturing businesses primarily in the North of the UK. The heritage of the business dates to 1864 and has grown in recent years both organically and by acquisition. The most recent acquisition was of Securefast, a security and access control business, in March 2022.

The OSL Group has around 200 employees globally and has made the decision to voluntarily submit our Gender Pay Gap figures. The OSL Group see this as a valuable opportunity to scrutinise our own data, hold ourselves to account and use the findings to inform recruitment and diversity and inclusion policies. The CIPD encourage all employers of whatever size to calculate and publish their pay gaps.

Information

The report analyses our employee data as of the 5th April 2022. The data referring to bonuses is from 1st April 2021 to 31st March 2022. Colleagues were excluded if they did not earn 'full pay' during the snapshot period, for example due to maternity, SSP.

The data reports on six measures:

1. Mean gender pay gap – the difference between the mean hourly rate of pay of male employees and that of female employees
2. Median gender pay gap – the difference between the median hourly rate of pay of male employees and that of female employees
3. Mean bonus gap – the difference between the mean bonus pay paid to male employees and that paid to female employees
4. Median bonus gap – the difference between the median bonus pay paid to male employees and that paid to female employees
5. Bonus proportions – the proportions of male and female relevant employees who were paid bonus pay
6. Quartile pay bands – the proportions of male and female employees in the lower, lower middle, upper middle and upper quartile pay bands

Context

There are four businesses within the OSL Group:

OSL Cutting Technologies

Based in Sheffield, OSL Cutting Technologies manufacturers metal cutting tools under several brands. It has a manufacturing, engineering, and shop floor team of around 65 which remains a predominantly male environment.

OSL Cutting Technologies has an office team of around 40 and many of these teams work across the Group of companies.

CQR

Based in the Wirral, CQR designs and manufactures system components for



the security industry. The CQR shop floor of around 40 people includes a cable manufacturing team which is predominantly male and a team of assembly workers which are predominantly female.

Owen Springs

Owen Springs is based in Rotherham and manufactures leaf springs and leaf spring products and their shop floor team of 12 is entirely male. At Owen Springs there are only three female employees.

Securefast

Purchased just before the snapshot date in March 2022, Securefast offers a range of fire and security products but has no manufacturing of its own but it does have a small team of five warehouse staff.

Head Office

At the time of the calculations there were three staff that were employed as Group resources and were employed by our Group Holdings company based at OSL Cutting Technologies. Since the calculations of this report, many of the Group employees previously paid by OSL Cutting Technologies have been moved to be paid by Group Holdings (head office) to represent their roles more accurately.

The cable manufacture at CQR, the heavy metal manufacturing at Owen Springs and the engineering grinding, turning, assembly and milling at OSL Cutting Technologies are still primarily male shop floor environments. Aside from CQR's assembly team almost all of the women employed by the Group are in office-based roles.

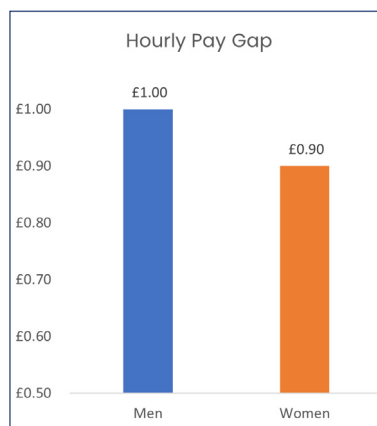
OSL Group Outcomes

Benchmark

Among full-time employees the gender pay gap in April 2022 was 8.3%¹
The most recent Sheffield data suggests a local gender pay gap of 10.6%²

The Pay Gap

At the OSL Group in 2022 women earned 90p for every £1 that men earned when comparing median hourly pay. Their median hourly pay is 10% lower than men's.



¹ <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/genderpaygapintheuk/2022>

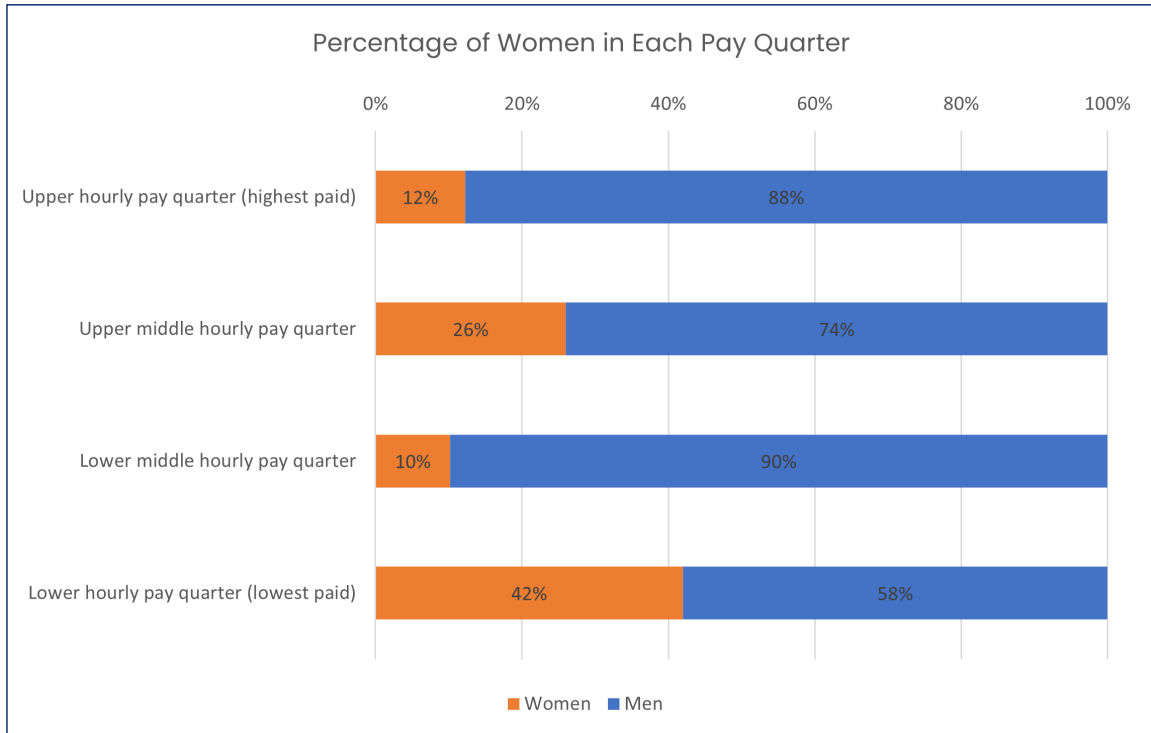
² <https://www.thestar.co.uk/news/revealed-companies-sheffield-biggest-gender-pay-gaps-436666>



When comparing mean (average) hourly pay, women's mean hourly pay is 20% lower than men's.

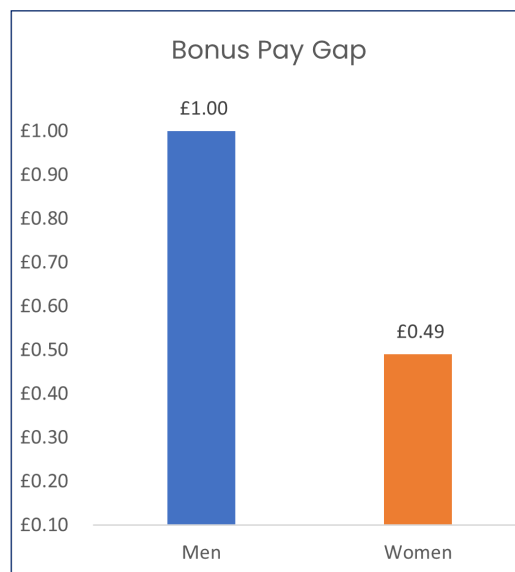
Percentage of Men and Women in Each Hourly Pay Quarter

In the OSL Group, women occupy 12% of the highest paid jobs and 42% of the lowest paid jobs.



Bonus Pay

In the OSL Group, women earn 49p for every £1 that men earn when comparing median bonus pay. Their median bonus pay is 51% lower than men's.



When comparing mean (average) bonus pay, women's mean bonus pay is 52% lower



than men's.

Receiving bonus pay was men at 86% and women at 87%.

Analysis

- The primary reason for the median difference in hourly pay is that there is a lack of female representation in certain parts of the business. Across the top three quartiles, particularly at senior and lower middle levels there is a distinct lack of female representation. The lower middle quartile particularly is because of our difficulty recruiting women into STEM roles – skilled shop floor workers particularly at OSL Cutting Technologies, which has our largest shop floor population, are all male.
- While we do not have a large proportion of part-time workers across the OSL Group, it is worth noting that all but one of our part-time staff are women. We are aware that the primary reason for these workers using part-time hours is for caring responsibilities, primarily children.
- Overall, the Hourly Pay Gap figure is skewed by the senior teams at Securefast and CQR being a small team and all male.
 - At CQR in senior roles in the business we have a high retention level with many incumbents being in role for over 20 years, some as much as 30 years
 - Securefast was acquired by the group just one month before the snapshot date. The figures included the male head of the business that ultimately left after acquisition
- The bonus figures are also skewed by Securefast and CQR senior staff being male.
 - At Securefast, after acquisition many of the senior team were given bonuses
 - At CQR the sales team (two heads) who achieve the majority of the bonus payments are both male
- At OSL Cutting Technologies we have a small team of seven apprentices (six male, one female). Apprentices receive an apprentice rate lower than national minimum wage. However, since this report OSL Group has redesigned and improved upon its apprentice scheme (July 2022) and made the decision to increase apprentice rates to above the national apprentice rates.

Looking Forward

PwC's report "The Female Millennial: A new era of talent"¹ showed that young women seek out employers with a strong record on equality, diversity, and inclusion. 85% of female millennials surveyed said an employer's policy on equality, diversity and workforce inclusion was important when deciding whether to work for an employer.

This statistic is key to our action plan going forwards in the OSL Group. Transforming

¹ <https://www.pwc.com/gx/en/women-at-pwc/internationalwomensday/assets/a-new-era-of-talent-key-findings.pdf>



traditional manufacturing businesses into modern and progressive employers is a slow transition and attracting female talent into all our businesses is going to be fundamental to this change. It is important to state that the OSL Group has never deliberately made decisions that benefit men and that a fundamental aspect of the manufacturing industry is a high proportion of male workers. The OSL Group see an important part of our strategy to attract women to applying to work in the business.

The OSL Group has made investment in its HR team in the past two years and has therefore been strengthening policy and procedure within the Group. Part of the work the HR team has completed has led to enhanced maternity and paternity pay, enhanced sick pay for all staff and increased apprentice pay rates all to support recruitment and retention of staff. Unusually for a manufacturing business, the OSL Group offers three months' full pay paternity to begin to address the imbalance for women's leave currently set by government policy.

Additionally, we offer, coaching and mentoring to rising young stars in the business – both male and female and an employee wellbeing committee. For 2023 and into 2024 we are looking to introduce bias training for key recruiting staff, continued apprentice intake and investment and a diversity, inclusion and equality policy linked to the OSL Group working principles and our Triple E ethos of entrepreneurship, empowerment, and excellence. The HR team can now continue making the OSL Group a desirable place to work and ensuring that a robust diversity, inclusion and equality policy and action plan is created to address the issues in this report and attract women into roles.

Since this snapshot date in 2022, much has changed in the OSL Group. Part of the reason that the business made the decision to voluntarily submit was to ensure that these improvements are recorded and give a baseline figure to continue improving upon.

Declaration

We confirm that the information and data reporting is accurate as at the snapshot date of 5 April 2022.

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OSL
GROUP

